James A. Watson
Rear Admiral, USCG
Federal On-Scene Coordinator

July 1, 2010

Dear Admiral Watson:

In compliance with the May 26, 2010, Dispersant Monitoring and Assessment Directive - Addendum 3 (the "Directive"), BP Exploration & Production Inc. ("BP") has eliminated the surface application of dispersants, except in cases where an exemption is requested and justified, and approved by the Federal On-Scene Coordinator.

Houma Unified Command had two (2) spotter visual reports on 1 July from aircraft out of Stennis Base and these spotters were able to identify oil slicks that were estimated to require over 20,000 gallons of dispersant. Because of weather conditions, Houma Base was able to launch only one reconnaissance flight which returned to base shortly due to deteriorating weather.

Weather will again be an issue tomorrow, but significantly improved from the past few days. The Friday forecast calls for flying conditions that will have showers, winds of 6-12 knots from the SE-ESE, maximum significant wave height 4 feet, ceilings of 17,000 feet or less, visibility of 6 nm with a 20%-30% chance of rain.

The NOAA Surface Oil Forecast for July 2nd shows extensive areas of heavy and medium oil (Attachment 2) that are or may adversely impact the shoreline, including sensitive wetlands.

Houma Unified Command anticipates that due to the weather, if oil slicks are identified, the most viable means of response will be the use of dispersants to reduce the risk of oil land fall especially with the continuation of southerly and easterly winds.

Prior to spray operations tomorrow morning, the spotter aircraft will identify the high value targeted slicks and we will prepare a report of the location and dispersant volumes needed for application as soon as practicable tomorrow. It is anticipated that the thunderstorm pattern that has existed in the previous couple of days will moderate, although the continued presence of rain showers may continue to make it difficult to execute reconnaissance or dispersant spray missions.

Pursuant to a request this date from Unified Command, the following information is provided.

- Estimated size of identified dispersible oil slick targets proposed in designated zones: Today there were limited air surveillance operations and the only two reconnaissance flights observed dispersible oil slicks in Zone AC as shown in See Table 1.

- Explicit justification for why these targets can't be skimmed or addressed by other mechanical means: The weather is moderating and the forecast wind wave heights for tomorrow averaging 2 feet, with significant wave height averaging 4 feet and maximum wave height averaging 6.8 feet.

Source Skimming Assets:	All vessels in port
Non-Source Skimming Assets:	All vessels in port
ISB Assets:	All vessels in port

- Consequently, source and non-source skimming vessels as well as ISB will not be in action tomorrow.
- Today, all offshore recovery assets (skimmers, etc.) are ***in port or at anchor due to inclement weather*** and ISB operations did not take place.
- It is planned to conduct Tier 1 helicopter SMART over flights to observe dispersant operations tomorrow should they be conducted.
- M/V *International Peace* is currently in port waiting on better seas and weather. It is not anticipated that she will get underway and on station until later in the day Friday at the earliest, weather permitting.
- QA/QC SMART Team 2 June 27th report (Attachment 4).
- No burn box is shown at this time, since the ISB fleet will be in port tomorrow.
- Forecast sea state through Sunday showing skimming and ISB limitations is provided as Attachment 5.
- ***ALL RESPONSE OPERATIONS MAY BE CANCELED DUE TO WEATHER TOMORROW***

It should be noted, that due to the adverse weather, there has been no skimming, ISB or dispersant activities for the past three (3) days. Skimming and ISB operations are not scheduled for tomorrow. With the anticipation of the weather moderating over the next couple of days, it is anticipated that significant quantities of dispersible oil will be observed and there will be flying weather conducive for air operations.

Accordingly, in accordance with the Directive, the Houma Unified Command respectfully requests an exemption to apply EC9500A on dispersible oil slicks based on the morning reconnaissance flights. As aerial dispersant presents the primary mechanism for spill response, we have mobilized the reconnaissance and deployment resources and request an initial ~~15,000~~ 20,000 gallons for early opportunistic targets. This will be coupled with further reconnaissance and target identification. If further targets are identified, a subsequent request will be issued later in the day.

Sincerely,

Houma Unified Command

Exemption approved subject to the above:

Date: 7-2-10

James A. Watson
Rear Admiral, USCG
Federal On-Scene Coordinator

Attachment 1

Dispersant Zone Map for 2 July 2010 with Oil Targets from Spotter Operations on 1 July

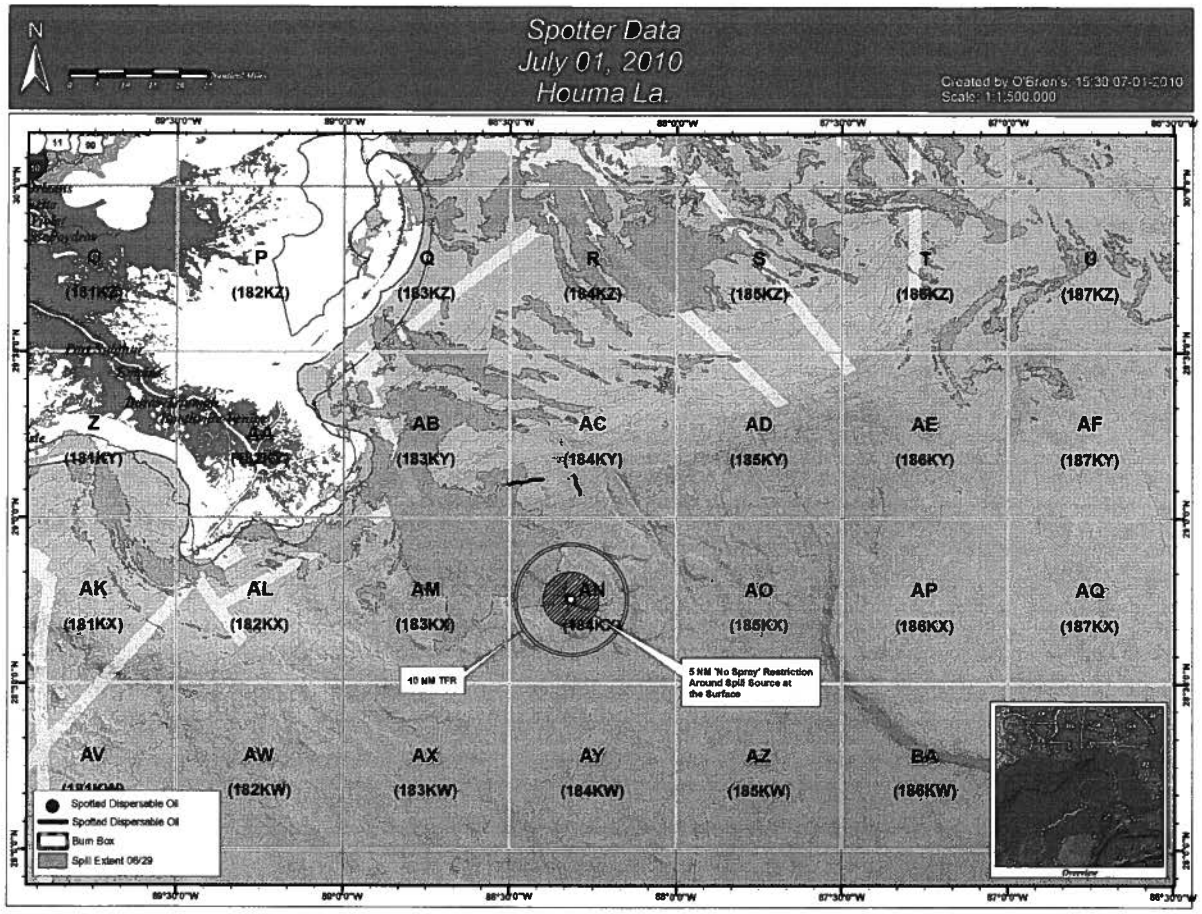


TABLE 1 Dispersible Oil Report July 1, 2010

Zone	# of slicks reported	Area in acres	Estimated percentage dispersible oil	Dispersant Needed (1/20 DOR)
AC	2	4,224	95%	20,064
Dispersant Approved: 20,000 gallons - Sprayed Today The requested amount for 7/2/10 will be based on tomorrow mornings reconnaissance with an initial request for 15,000 g as it is expected with 4 days of no response operations there will be considerable surface oil.				**17,852**

Note: Table 1 shows our intentions based upon our observations the day before these actions take place. Size and location of slicks will change. Activities within slick areas e.g., skimming operations, in-situ burning, etc., or weather conditions may require revisions to the actual operational plan implemented.

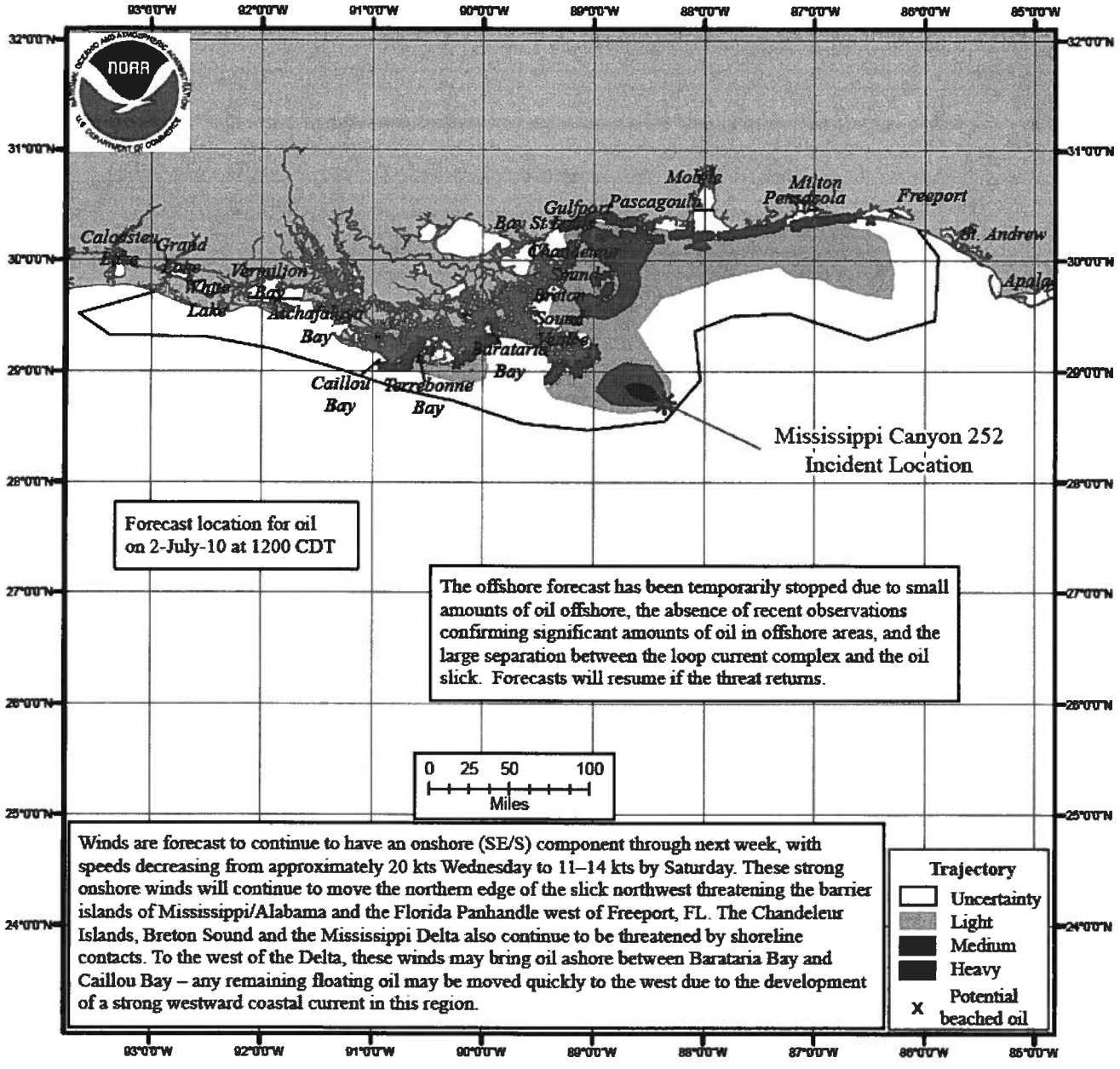
Attachment 2

Nearshore Surface Oil Forecast Deepwater Horizon MC252

NOAA/NOS/OR&R **Nearshore**

Estimate for: 1200 CDT, Friday, 7/02/10
Date Prepared: 2100 CDT, Wednesday, 6/30/10

This forecast is based on the NWS spot forecast from Wednesday, June 30 PM. Currents were obtained from several models (NOAA Gulf of Mexico, West Florida Shelf/USF, TGLO/TAMU, NAVO/NRL) and HFR measurements. The model was initialized from Tuesday-Wednesday satellite imagery analysis (NOAA/NESDIS) and Wednesday overflight observations. The leading edge may contain tarballs that are not readily observable from the imagery (hence not included in the model initialization). Oil near bay inlets could be brought into that bay by local tidal currents.



this scale bar shows the meaning of the distribution terms at the current time

Next Forecast:
July 1st PM

Attachment 3

Vessel Status Board

All Vessels Are Currently In Port Due To Inclement Weather And The Anticipation Is That Skimming Capacity Will Remain In Port Tomorrow

Attachment 4

QA / QC Report for 6/27/10

Deepwater Horizon Incident – Houma Incident Command Center

SMART Tier 1 Data Quality Assessment and Review

SMART Tier 1 data consists of observations summarized in an Activity Log (Unit Log ICS 214-CG) and pre- and post-application photographs and associated photo log of dispersant spray operations. This form documents the results of a preliminary quality assessment review of these documents.

Smart Air Team #: 2 Date: 6/27/2010

Operational Period: 20100627 0700 to 20100627 1506

Data Review (Check documents that were reviewed)

☑ Unit Log – ICS 214-CG

☑ Photographs (How many reviewed? 9)

☑ Photo Log

☐ Dispersant Observation Reporting Form 30 – not included in package

Assessment (Check appropriate box(s))

☑ Concur with SMART observer findings (reasonableness of findings)

☐ Issues of note from data review. Briefly describe.

dispersion along edges of the oil patch, with 'café-au-lait' color change

☑ Dispersant is effective based on review of Activity Log, photographs, and photo log.

☐ Results inconclusive with respect to dispersant effectiveness.

☐ Other. Briefly describe.

noticeable changes to oil patch

Reviewed by Dispersant Assessment Group Member (Print name, sign, and date)

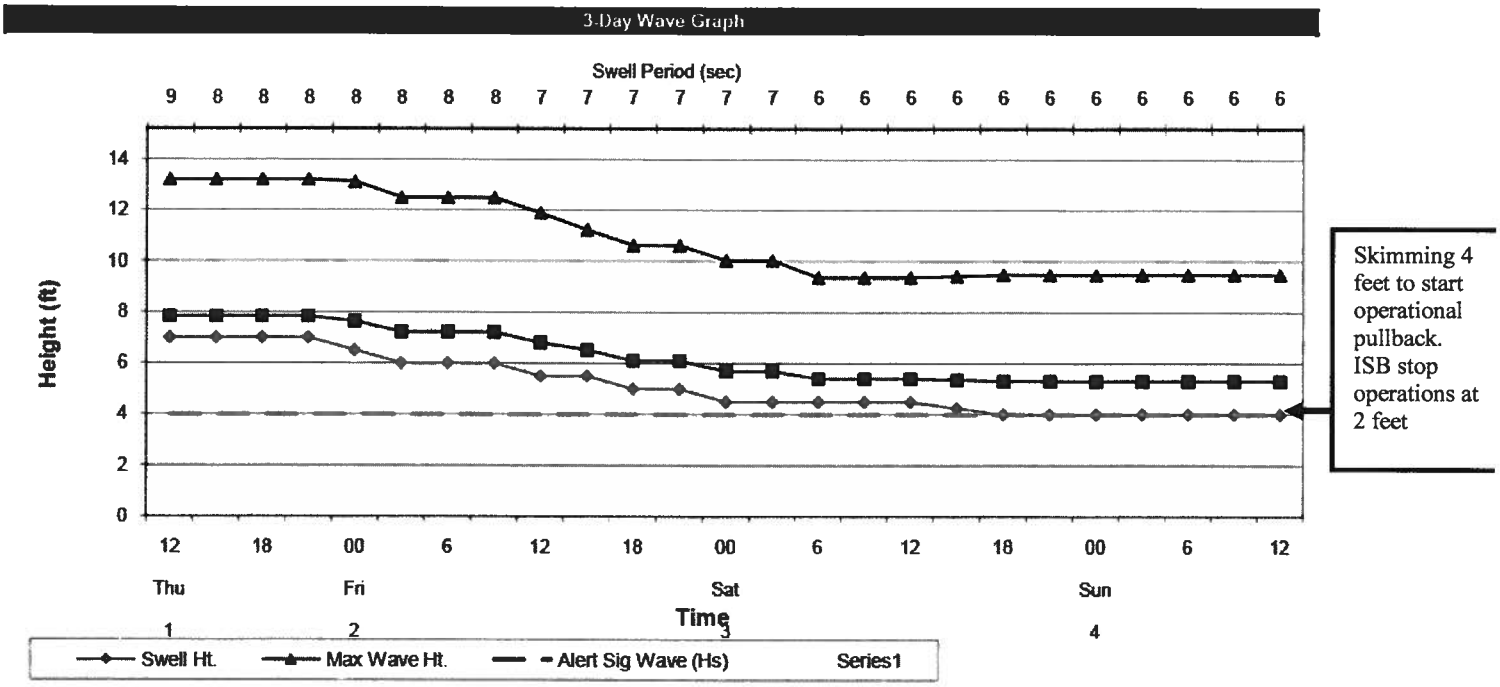
Name: Mark Benkiney Signature: [signature] Date: 6/30/10

Reviewed by NOAA SSC (Print name, sign, and date)

Name: JAY ROBSTEIN Signature: [signature] Date: 6/30/10

Template Updated 20100619

Attachment 5



Skimming 4 feet to start operational pullback. ISB stop operations at 2 feet